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January 31, 2000

Via Overnight Courier

Office of Managing Director
The Secretary
445 12th Street, S.W.
Room TW B 204
Washington, D.C. 20554

Re: CC Dockets 96-98 and 98-147 Ex Parte Presentation

Dear Ms. Roman Salas:

Pursuant to Commission Rules 1.1200 et. seq., 47 C.F.R. 1.1200, two sets of two copies each are being filed for association with the captioned dockets.

On Thursday, January 26, 2000,¹ a meeting was held with the Deputy and Assistant Chiefs of the Policy and Program Planing Division of the Common Carrier Bureau. In addition to the undersigned, who attended as legal representative of the Internet Business Association, or INETBA, also attending were a representative of INETBA, Cardinal Southwell, and the Executive Vice President of an INETBA consultant, Global Telecompetition Consultants, Inc., Robert F. Schneberger.

The matters discussed are detailed in the attached memorandum and concern issues and policies addressed in the captioned proceedings. The discussions during the meeting consisted of dialogues about the points contained in the attached memorandum.

¹ This letter has been delayed by counsel's illness the day following the meeting and by the adverse weather conditions over the following weekend which caused delays in travel and office routine preventing this letter from being hand delivered before this February 1, 2000.

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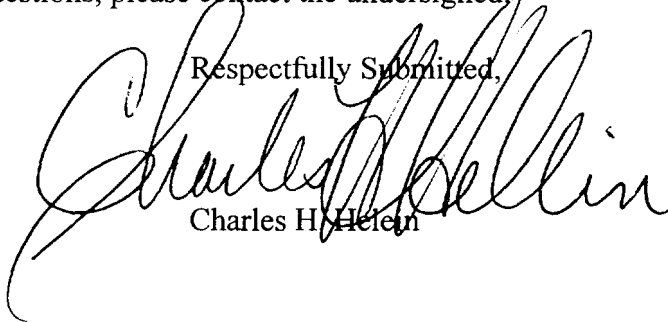
January 31, 2000

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Essentially, the main point of the presentation is that while it is clear that the Commission has adopted broadly favorable and nurturing policies supporting competition in advanced telecommunications services, marketplace realities are at the present time frustrating the fuller and fairer exploitation of those policies by a sizable segment of existing industry members. The purpose of the presentation, in addition to bringing these concerns to the attention of the Commission's expert staff, was to seek guidance on how best to alleviate the conditions that are impeding broader and fairer competitive provisioning of advanced services through implementation of the new rules on DSL and Line Sharing as adopted in the captioned proceedings.

Should there be any questions, please contact the undersigned.

Respectfully Submitted,

A large, stylized handwritten signature in black ink, which appears to read "Charles H. Helein". The signature is written over the typed name and extends upwards and to the left.

Charles H. Helein

cc w/encls:

Jake E. Jennings, Deputy Chief
Margaret M. Engler, Assistant Chief

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FACSIMILE COVER SHEET

To: Jake Jennings Nos. 202-418-1413

From: Charles H. Helein Ref.

Re: Meeting of January 27, 2000 on DSL Issues

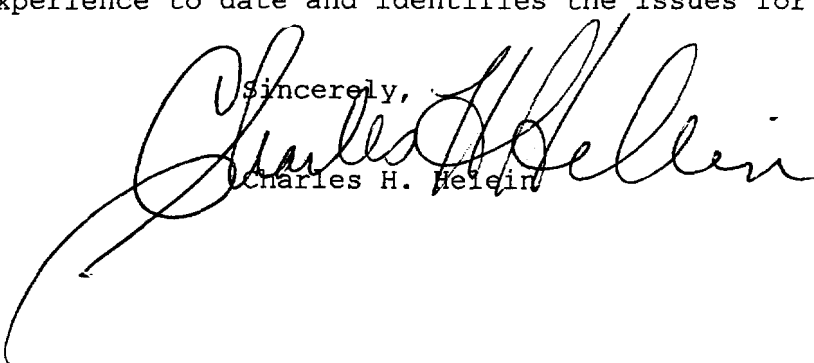
Date: 1/26/00

Page Total: 6

Dear Mr. Jennings:

Attached is a Whitepaper on the issues concerning the competitive provisioning of DSL service about which we are to meet with you and your staff tomorrow at 10:30 am. Accompanying the undersigned will be Cardinal Southwell, DSL Manager for Internet Business Association (INETBA) and Robert F. Schneberger, Executive Vice President of Global Telecompetition Consultants, Inc. (GTC). This Whitepaper outlines the basic marketplace experience to date and identifies the issues for discussion.

Sincerely,


Charles H. Helein

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Whitepaper
Advanced Telecommunications Services Competition

Principal Focus Is DSL
January 27, 2000

The Issue:

How best and most quickly to remove the obstacles to the competitive provision of DSL service being caused by ILECs and ISPs.

Core Facts:

There are six scenarios which are blocking the ability of existing resale telecommunications service providers to offer their existing customers DSL-based Internet access.

1. Bell Atlantic refuses to provide access to its routers/servers on the basis these digital switches required for access to the packet-switched networks which are the gateways to the Internet are not part of their regulated network facilities.
2. Bell Atlantic refuses to provide DSL lines if they are to be used to connect to an ISP which agrees to

provide access to its routers/servers.

3. SBC Communications' affiliated BOCs will provide access to their router/server network but refuse to do so at a discount.

4. Independent ISPs (IISPs) refuse to provide access to their router/servers because they want to provide DSL services and do not want to face the competition for that service from existing telecommunications providers.

5. ILECs treat DSL only as implicating the FCC rules regarding UNEs and refuse to acknowledge a resale aspect for competitive DSL services.

6. ILECs insist that DSL lines be taken as a local line which appears to conflict with the Commission's Linesharing Order.

Result:

The policy of the FCC to encourage and support competition in advanced services is being frustrated by the positions of the ILECs and IISPs identified above. Our client with over 100,000 small business customers and an even higher number of residential customers is unable to add advanced service products to its offerings. However, in canvassing its customers, our client as received an enthusiastic reception to its proposal to offer Internet access via DSL services to its existing service/product offerings.

What Is Being Requested of the FCC:

1. The rights and obligations of our client and the ILECs and IISPs need to be promptly clarified and/or expanded, that is before July, 2000 when line sharing and DSL in general will be ready for roll out.

2. It is submitted that the playing field needs to be immediately leveled as companies like our client are already suffering as the ILECs, IISPs and Data CLECS are already saturating the marketplace with DSL offers.

3. Access to the routers of at least the ILECS needs to be guaranteed and at the same discount levels as available for any UNE. These routers are nothing other than a network facility which is being used as a bottleneck to injure broadbased competition.

4. It needs to be declared that the access bottleneck creates an unfair competitive disadvantage against companies that have not deployed their own facilities at this time and that:

A. This disadvantage is contrary to the public interests clearly identified by the Commission's DSL and Line Sharing decisions.

B. The bottleneck violates the Commission's existing policies that in promoting and establishing competition in the local services market, implementation is to be technologically neutral.

C. The bottleneck is anti-resale which violates the Commission's general resale policy established nearly 2 decades ago; and the 1996 Telecommunications Act's explicit affirmation of resale as a method by which to compete in the local markets.

6. Advice on what procedural vehicle would best serve to seek formal consideration and prompt action on the foregoing issues.

Comments:

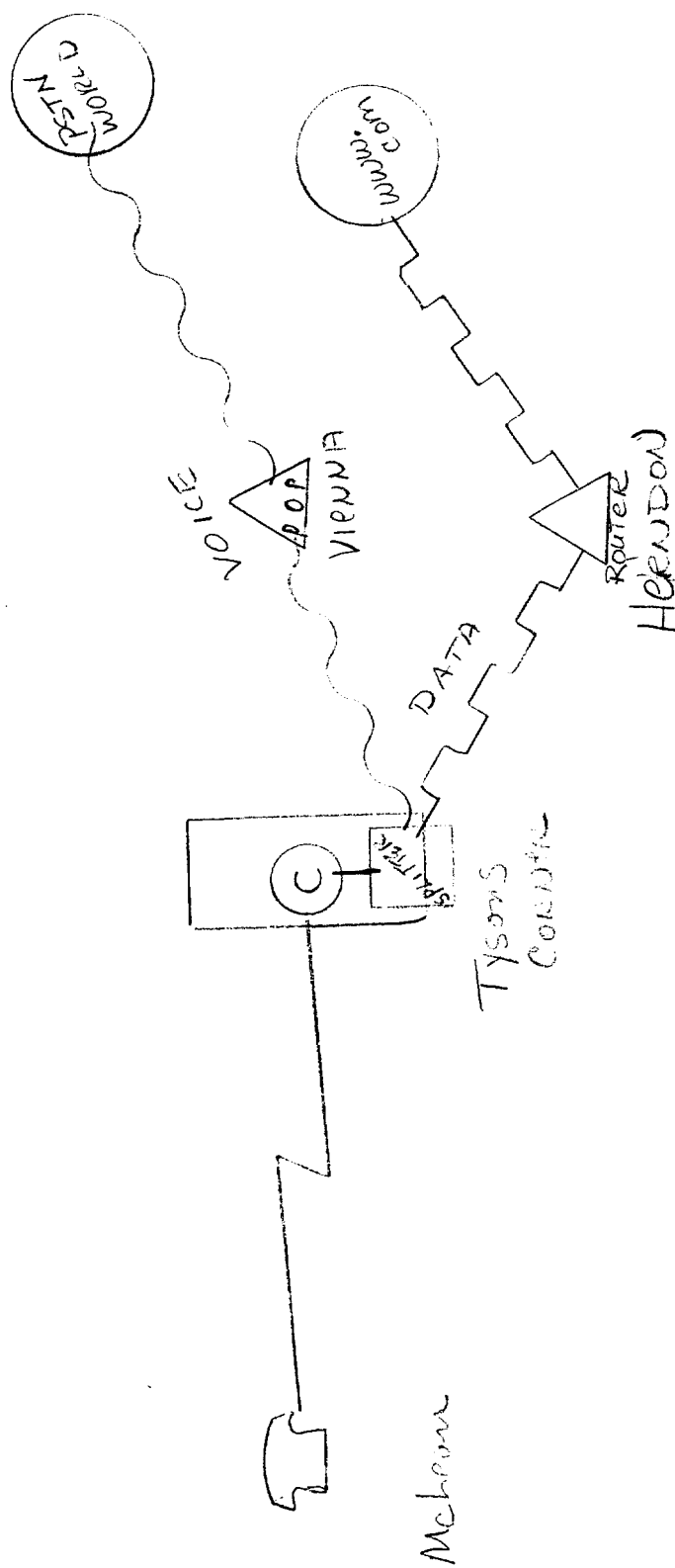
While the Commission's Line Sharing and other decisions express a preference for facilities-based competition, resale represents a valid and in many cases, even for

the giant carriers, the only means by which to open new markets. Moreover, resale services as a platform can and has the ability if allowed to be successful to become a major force in the industry as the history of MCIWorldCom clearly demonstrates.

At some point, the immunity of unregulated entities like the ISPs from having to contribute to the industry and bear the same responsibilities as their regulated counterparts has to be addressed.

END

Rough Schematic



↑
Bell Atlantic Bottleneck Here